

AGENCY: Export-Import Bank (Eximbank)

DESCRIPTION: The Export-Import Bank assists exporters with federal loan guarantees and credit insurance.

ELIGIBLE USES:

- Eximbank working capital loan guarantees may be used to finance such pre-export activities as the purchase of raw materials, finished products, labor and other services needed for processing export orders. They may also be used to cover the cost of freight, port charges and certain forms of overseas business development. Loan guarantees may be used for a specific transaction or as a revolving line of credit. There are no minimum or maximum amounts of funding.
- Eximbank credit insurance may be used to protect exporters from the possibility of nonpayment by foreign buyers for either commercial or political reasons; also to enhance an exporter's cash flow.

PROGRAM/LOAN STRUCTURE:

- Equity: Equity required on loan guarantees is variable.
- Maturities: The maximum term on loan guarantees is 12 months, but is renewable. Insurance can cover both short-term (less than one year) and medium-term (up to 5 year) transactions.
- Rates: Dependent on the transaction.
- Costs and Fees: Ex-Im Bank requires the buyer to make cash payment to the exporter equal to at least 15% of the U.S. supply contract. A non-refundable \$100 application fee is charged as well as preliminary Commitment Application Processing Fee – 0.1 of 1% of the financed amount, a commitment Fee – 0.125% per annum on the undisbursed balance of the loan, an Ex-Im Bank Exposure Fee – Varies, and, depending upon tenor, country risk, and buyer credit risk.

QUALIFICATION CRITERIA/COMMENTS:

- Exporters may qualify for assistance if:
 - Exported product has at least 50% U.S. content;
 - Been in business a minimum of one year;
 - Product is shipped from a U.S. port;
 - Buyer is from a country approved for export by the U.S. federal government;
 - Exported product or service is not military in nature and/or is not destined for foreign military use; and
 - Exporter meets required Eximbank credit standards.
- For more information visit http://www.exim.gov/products/loan_guar.html or call (202) 565-3946 (EXIM) or (800) 565-3946 (EXIM).